Finance Report for Governors

Month 4 Budget report

Income for the period is £64057 positive to budget (3.9%)

Expenditure for the period is £19473 positive to budget (1.1%). Staff costs are £33547 below budget (2.4%), other costs are £14075 above budget (4.6%)

Surplus at 31.12.21

There is a surplus of £8377 against a forecast deficit of £75153 at the end of month 4. The forecast deficit is because the Pupil Number Adjustment (for lower numbers than predicted in the sixth form) comes out in the first three months of the year, rather than in equal amounts across the year.

Cash at bank on 31.10.21:

Current Account - £25000.00

Reserve Account - £806482.30

35 Day saver - £748226.35

Total - £1,579,708.65

ICE Visit, 24.01.22

The visit took place remotely. Documents were uploaded in advance of the meeting or shared via Teams. On the whole, good progress has been made since the corresponding visit last year.

The big ticket items for attention are the need for a formal Risk Register and a formal Business Continuity Plan. Vicky Squire is working on the Risk Register but this is not yet ready for review by governors. Once the Risk Register is approved work will begin on the Business Continuity Plan. Of course, SLT are already aware of the risks the school faces, and the way that the school operated during the pandemic indicates that ‘business’ can continue in an emergency situation without a formal plan. However, formal documents are required by the DfE so we are working to get these in place.

Key Financial Performance Indicators

A previous ICE visit highlighted the need for Finance KPIs. I have made some suggestions on the agenda based on historic KPIs. Other suggestions from governors wecome.

Management letter from auditors

The auditors raised three points in their management letter.

We note that the disposal of a piece of land which was settled with the counterparty purchasing some items for the school was not recorded in the fixed asset register: Covered by year end journal.

Our review of the finance policy revealed that it states that a float of £10,000 was held in the safe: The policy stated ‘up to £10,000’ as this is the amount covered under our insurance. We have amended the amount to £5000 in the policy.

Internal audit reviews have been carried out in the year, but the action points are not recorded: Going forward action points will be recorded on the ICE visit reports and this will be noted in the minutes.